

RALEIGH-DURHAM AIRPORT AUTHORITY

MINUTES

December 20, 2001

Chairman Gibbs presided. Present: members Clancy; Parker; Sparrow; Teer; Toler and Winston. Absent: member Lane. Also present: Airport Director Brantley; Deputy Director, Operations Shackelford; Director, Customer Service & Organizational Support Damiano; Director, Major Capital Improvements Program Powell; Deputy Director, Finance, Business & Administration Gill; Deputy Director, Facilities Engineering & Maintenance Pittman; Emergency Services Manager Thompson; Director of Administration Umphrey; Senior Program Manager Edmondson; Program Manager Quesenberry; Program Manager Cayton; Environmental Manager Gilkinson; Facilities Engineering Manager Jewett; Training Supervisor Bell; Training Officer Harleston; Parking Manager White; Maintenance Manager Fulp; Public Transportation Supervisor Kiser; Finance Manager Barritt; Properties & Insurance Officer Quinn; Noise Officer Tovar; Accountant Marion; Accounting Technician Schick; Law Enforcement Manager Waters; Assistant Law Enforcement Manager Tippet; Website Administrator Geoffre; Operations Manager Nelson; Purchasing Officer Thompson; Purchasing Assistant Edwards; Payroll/Benefits Technician Duncan; Law Enforcement Officers Cochran and Edwards; Environmental/Noise Technician Rebar; Administrative Assistant Gray; Executive Assistant Mitchell; Attorney Young and Attorney Tatum.

Guests: Vicki Hyman, The News & Observer; Amy Hatcher, Globe Aviation Services, Inc.; Reverend Dennis Stiles; Keith Bishop, Esq.; and various taxicab operators.

APPROVAL OF AGENDA – There were no changes or additions to the agenda, and it was approved as submitted.

APPROVALS OF MINUTES – There were no changes to the minutes of the November 15, 2001 meeting, and they were approved as submitted.

CHAIRMAN’S COMMENTS – Chairman Gibbs had no comments at this time.

OPERATIONS COMMITTEE – Member Sparrow reported the Committee met on December 19, 2001 and discussed the following item:

1. Consideration of a staff recommendation that the Operator Licenses of National and Alpha Cab Companies not be renewed for 2002. Ground Transportation Coordinator Nye reported that applications for renewal of taxicab licenses were received from 19 operators. Renewal of the licenses of two operators was not recommended. Section 8.1 of the Ground Transportation Ordinance provides that the Authority must consider all recommendations for nonrenewal of licenses. Alpha Cab Company operates seven Airport-licensed taxicabs. Alpha Cab Company is a corporation, of which Mr. Jean Nzati is President. Section 15.2 of the Ground Transportation Rules and Regulations requires that vehicle liability insurance coverage be in full force and effect at all times during the term of a taxicab operator’s License. Section 15.2.2 states that failure to maintain the required coverage and the proper form of policies in full force and effect at all times during the term of its License shall be cause for immediate revocation of the operator’s License. Mr. Nzati submitted a license renewal application on November 14, 2001. Upon reviewing the information provided, different effective and expiration dates were noted on the Certificates of

Insurance provided for Alpha 6, owned by Mr. Zacharie Nziuki. Upon interviewing Mr. Nziuki's insurance agent, it was revealed there had been a lapse in Alpha 6's insurance coverage from November 30, 2000 until January 17, 2001. A copy of the cancellation notice recently was received from the agent. Staff recommended the Taxicab Operator's License held by Alpha Cab Company for Alpha 6 not be renewed due to violation of Section 15.2 of the Rules and Regulations for failure to provide continuous commercial auto liability insurance. National Cab Company, operated by Mr. Alfred Ashwood, holds a license for eight taxicabs. The license of National Cab Company was not recommended for renewal due to failure to comply with Section 15.2 of the Ground Transportation Rules and Regulations. Staff recommended the Taxicab Operator's License held by National Cab Company not be renewed due to violation of Section 15.2 of the Rules and Regulations for failure to provide continuous commercial auto liability insurance on all company vehicles, and that the license remain unfilled at this time. The Committee recommended that any renewal of the operator licenses for Alpha Cab #6 and National Cab Company be withheld for 30 days, during which the matter will be taken to the full Authority for further review of the rules and regulations.

Member Sparrow made a motion, seconded by member Winston, that any renewal of the operator licenses for Alpha Cab #6 and National Cab Company be withheld for 30 days, during which the Operations Committee will meet again to review and discuss the matter and make a recommendation to the full Authority at the January 2002 meeting. Adopted.

LAW, FINANCE & PERSONNEL COMMITTEE – Member Winston reported the Committee met on December 20, 2001 and discussed the following items:

1. Consideration of an adjustment to the FY 2001-02 Operating Budget to cover the costs of the 2.5% general salary adjustment that was effective September 24, 2001, the individual position salary adjustments recommended by Billings & Associates to become effective December 31, 2001, and increased premiums for insurance coverages. Deputy Director, Finance, Business and Administration Gill reported that several adjustments in the FY 2001-02 Operating Budget were needed. The first was to cover the cost of the 2.5% general salary adjustment for all Authority employees from its effective date of September 24, 2001 through the end of the fiscal year, March 31, 2002. This increase was approved by the Authority on September 20, 2001 based on a recommendation by Billings & Associates. Funds to cover the cost of a general salary adjustment are not included in the budget at the beginning of the fiscal year because it is not then known whether any adjustment will be made. Staff recommended the operating budget be increased by \$23,187 to cover that cost. A second increase was needed to cover the costs associated with implementing the results of the Pay and Classification Study completed by Billings & Associates. The consultant proposed reclassification of 40 positions held by a total of 79 employees effective December 31, 2001, which recommendation was approved by the Authority on November 15, 2001. The cost of reclassifying the aforementioned positions for the period December 31, 2001 through March 31, 2002 will be \$22,920. Additionally, authorization was requested to adjust the salaries of four positions in order for each of them to fall on the nearest step of the current salary schedule. The cost of placing these positions on-step for the remainder of the fiscal year effective December 31, 2001 is \$866. Further, as of October 1, 2001, new policies covering all aspects of the Authority's property and casualty insurance coverage became effective. At the beginning of the fiscal year, the annual insurance premiums were estimated and budgeted at \$634,200. In part due to the impact of the September 11th terrorist

attacks, the premiums are now expected to be \$49,829 higher for the period from October 1, 2001 through March 31, 2002. The Committee recommended adjustment of the FY 2001-02 Operating Budget by \$23,187 to cover the cost of the 2.5% general salary adjustment; by \$22,920 to cover the cost of implementing the results of the Pay and Classification Study; by \$866 to cover the cost of adjusting four positions to place them on-step within the salary schedule for the remainder of the fiscal year, effective December 31, 2001; and by \$49,829 to cover the increase in the cost of insurance premiums.

2. Consideration of an adjustment in the FY 2001-02 Capital Budget for RDU #010299, Administrative/Financial Computer System to cover the total cost of replacing the Law Enforcement Department's reporting software. Deputy Director, Finance, Business and Administration Gill reported that this project includes replacement of computer software used by the Law Enforcement Department to prepare, electronically file and submit police reports and pertinent law enforcement data to the State of North Carolina, as well as to maintain a database of the information on-site. The current project budget component for the software replacement is \$52,500. Additional funding is needed to replace the reporting software, implement the program and procure additional system software necessary to support networking of the system. The cost of the reporting system replacement is now projected at \$89,592. A budget adjustment of \$37,000 was requested. The Committee recommended adjustment of the budget for RDU Project #010299 by \$37,000 from \$880,000 to \$917,000 to cover the costs associated with replacing the Law Enforcement Department's reporting software.

3. Consideration of an adjustment to the FY 2001-02 Capital Budget for RDU #010319, Secure Area Access Control System Upgrade to cover the total cost of acquiring a live-scan biometric fingerprinting system for performing criminal history checks on airport employees and related costs. Deputy Director, Finance, Business and Administration Gill reported that additional funds are needed to cover the cost of purchasing and implementing a live-scan biometric fingerprinting system for use in quickly and efficiently performing criminal history checks via the FBI computer records system now required by Federal Aviation Regulations Part 107. Procurement of this system was budgeted at \$67,325. However, \$19,404 of the available funds were utilized in upgrading and enhancing the security of the Airport's security access control system. The cost for implementing the fingerprinting system, including necessary modification to existing work areas to accommodate it use, is now projected to be \$79,394. This amount, less the remaining balance of project funds of \$49,921, is the basis for the requested budget adjustment of \$31,500. The Committee recommended adjustment of the budget for RDU Project #010319 by \$31,500 from \$300,000 to \$331,500 to cover the costs associated with acquiring a live-scan biometric fingerprinting system.

4. Consideration of authorizing a Capital Project to cover the cost of appraising the fair market value of American Airlines' leasehold interest. Airport Directory Brantley requested authorization of a capital project in an amount not to exceed \$150,000 to cover the costs of appraising the fair market value of American Airlines' leasehold interest, for which the work is to begin in January 2002. The Committee recommended authorization of a capital project with a budget of \$150,000 for the purpose of appraising the fair market value of American Airlines' leasehold interest.

Member Winston made a motion, seconded by Member Toler, to approve the recommendations of the Law, Finance and Personnel Committee. Adopted.

LAND & DEVELOPMENT COMMITTEE – Member Teer reported the Committee met on December 20, 2001 and discussed the following items:

1. Consideration of staff recommendations for selection of consultants to provide engineering and other professional services for Airport Structures Condition Inspection & Evaluation, RDU #080429. Program Manager Quesenberry reported on the staff recommendation for selection of a consultant to provide engineering services in connection with inspection and evaluation of certain bridges and tunnel structures on the Airport. The Request for Proposals was issued to 134 firms. Eight firms submitted proposals in response to the solicitation: Alpha & Omega Group; Atlas Engineering, Inc.; Collins Engineers, Inc.; Desman Associates; McKim & Creed, PA; TGS Engineers; TranSystems Corporation; and Wetherhill Engineering. Based on review of the proposals submitted, staff selected Alpha & Omega, TGS Engineers and TranSystems for further consideration and final ranking. Staff concluded Desman Associates should be the only firm considered for provision of engineering services associated with inspection and evaluation of the enplane deck at Terminal C as no other firm appeared to be as qualified to provide those services. None of the three firms considered for final ranking presented a proposal including other firms as sub-consultants for any project elements. Based on review of the proposals, including responsiveness to the stated requirements, qualifications and experience, staff ranked TranSystems first, Alpha & Omega Group second, and TGS Engineers third for the bridge/tunnel portion of this project. Staff ranked Desman Associates first for the Terminal C enplane deck portion of the project, with no other firms being ranked for this element. Program Manager Cayton reported on the staff recommendation for selection of a consultant to provide engineering services in connection with inspection and evaluation of the condition of earth dams on the Airport. The Request for Proposals was issued to 134 firms. Nine firms submitted proposals in response to the solicitation: Almes & Associates, Inc.; Collins Engineers, Inc.; ECS Ltd.; KCI Technologies; McEvoy Engineering Services, Inc.; S&ME, Inc.; The Rose Group; and Titan Atlantic Group. Staff selected The Rose Group, Titan Atlantic Group and S&ME for further consideration and final ranking. None of the three firms considered for final ranking presented a proposal including other firms as sub-consultants for any project elements. Based on review of the proposals, including responsiveness to the stated requirements, qualifications and experience, staff ranked The Rose Group first, Titan Atlantic Group second, and S&ME third. The Committee recommended approval of the staff recommendation that negotiations be commenced with the first-ranked firm in each instance.

2. Consideration of a Change Order with Archer-Western Contractors Ltd. for accelerated completion of Parking Garage IV/Airline Cargo & Warehouse Buildings, RDU #070319. Program Manager Quesenberry reported on proposed Change Order No. 4 with Archer- Western Contractors. The Change Order deletes the interim completion date for a portion of Parking Garage 4 (2,000 spaces) and establishes a new completion for the whole garage (6,150 spaces). The new completion date will result in significant acceleration of completion of the garage portion of the project. This acceleration will be accomplished through modifications to the phasing of the work and stepping up the pace of the work. The Change Order will increase the Contract Sum by \$1,994,589, from \$103,186,458 to \$105,181,047. The Change Order will modify the Contract time as follows: the inter-mediate contract date of December 17, 2002 for completion of a portion of

the parking garage is deleted; and the final completion date for the entire parking garage is changed to November 17, 2003 from October 19, 2004. The additional cost to the project as a result of this Change Order will be offset by a reduction in other project costs. The costs of managing and administering the project will be reduced as a result of the change in the duration of the construction phase. These costs include the professional fees for construction management services, resident project representation services, construction contract administration services, and quality assurance testing services. In addition, the costs of supporting the aforementioned functions for office equipment, telephone services, vehicles and travel, and the Authority's in-house cost of managing the project, will be reduced. The Committee recommended approval of Change Order No. 4 with Archer-Western Contractors, Ltd., for accelerated completion of Parking Garage IV/Airline Cargo & Warehouse Buildings.

3. Consideration of a staff recommendation for selection of a consultant to provide engineering and other professional services for Taxiway D Relocation & Terminal C Apron Expansion, RDU #070379. Program Manager Cayton reported on the staff recommendation for selection of a consultant to provide engineering and other professional services in connection with the Relocation of Taxiway D and Expansion of the Terminal C Apron. The project involves construction of a relocated segment of Taxiway D from Taxiway G to Taxiway F, including construction of taxiway and service road bridges; reconstruction of a portion of and expansion of the Terminal C apron and reconstruction of a segment of Taxiway F; and realignment of International Drive through the project site. The services to be provided by the selected firm include design development and preparing construction contract documents for the project. The selected firm will provide all engineering and other related professional services required to design the project. Additionally the selected firm will provide technical inspection and contract administration services during the construction phase. The Request for Proposals was issued to 185 firms. Seven firms submitted proposals in response to the solicitation: Baker & Associates; Carter & Burgess; Delta Airport Consultants, Inc.; HNTB North Carolina, P.C.; Kimley-Horn & Associates, Inc.; Taylor Wiseman & Taylor; and URS Corporation. Interviews were conducted on November 28, 2001 and December 13, 2001. Staff interviewed Baker & Associates, Carter & Burgess and URS. Based on review of the proposals, including responsiveness to the stated requirements, qualifications and experience of the proposed project manager and other key personnel, qualifications and experience of the firm's proposed sub-consultants, previous experience on similar projects, perception of and approach to the project, and results of the interviews, staff ranked URS Corporation first, Baker & Associates second, and Carter & Burgess third. The Committee recommended approval of the staff recommendation that negotiations be commenced with the first-ranked firm.

Member Teer made a motion, seconded by member Toler, to approve the recommendations of the Land & Development Committee. Adopted.

GROUND ACCESS COMMITTEE – Member Clancy reported the Committee met on December 20, 2001 and discussed the following item:

1. Consideration of a staff recommendation for selection of a consultant to provide professional services for the Airport Rail Link Study, a joint study of the Airport Authority and the Triangle Transit Authority. Major Capital Improvements Program Director Powell reported that a selection committee comprised of Airport Authority and Triangle Transit Authority

staff reviewed the proposals received by the TTA. The services to be provided by the selected firm include collecting data, conducting passenger surveys, identifying alternative means of connection, preparing ridership estimates, evaluating alternative routes and means of connection, and preparing cost estimates. Notice of the availability of the Request for Proposals was issued to a large number of firms. Eight firms submitted proposals in response to the solicitation: AECOM Consulting Transportation Group; Earth Tech; HNTB North Carolina, P.C.; Martin Alexiou Bryson; PBS&J; TranSystems Corporation; Wilbur Smith Associates; Transportation Economics & Management Systems, Inc. Four firms were selected for further consideration: AECOM Consulting Transportation Group; HNTB North Carolina, P.C., PBS&J and TranSystems Corporation. Interviews were conducted on November 7 and 8, 2001. All interviewed firms presented teams in which the proposing firm will act as the prime consultant and engage other firms as sub-consultants for various project elements. Authority staff and TTA staff jointly recommended commencing negotiations with PBS&J. The Committee recommended that the Authority and the TTA jointly commence negotiations with PBS&J to provide professional services for the Airport Rail Link Study.

Member Clancy made a motion, seconded by member Teer, that the Authority and the TTA jointly commence negotiations with PBS&J to provide professional services for the Airport Rail Link Study.

Adopted.

PERMANENT NOISE MONITORING SYSTEM POLICY - Noise Officer Tovar reported that staff had recommended a policy for implementation and operation of a Permanent Noise and Operations Monitoring System to the Authority on September 20, 2001. Member Lane requested that the Aircraft Noise Abatement Committee have the opportunity to comment on the recommended policy before its adoption. The Noise Committee verbally suggested revisions to the policy during its meeting on October 4, 2001. Staff incorporated these modifications and distributed the revised policy to the Committee members to ensure that the revisions made accurately reflected their suggestions. A majority of the Committee members agreed that the modifications reflected their suggestions; however, two members suggested additional clarifications. The suggested changes to the recommended policy clarify the policy elements, but do not affect the substance of the policy. Staff concurred with the suggested changes and recommended that the Authority adopt the revised Policy. Airport Director Brantley advised that Member Lane had requested that no action be taken on this item at this time since he was unable to be present for the Authority meeting, and that the policy be presented for adoption at the January meeting.

MEMBER COMMENTS/REPORTS – Member Teer thanked the staff for all their work during this difficult year, and wished everyone a Merry Christmas. Member Toler reported he spent some time observing in the terminals over the Thanksgiving holiday and was very impressed to see how much the staff focused on customer service. Member Clancy thanked the team for a great year. Member Parker wished Midway Airlines good luck, and wished the staff a Merry Christmas.

GENERAL COUNSEL’S REPORT – Attorney Tatum wished everyone a Merry Christmas. Attorney Tatum requested a motion to go into Executive Session following the Airport Director’s report for the purpose of discussing a pending legal matter.

AIRPORT DIRECTOR’S REPORT –

- Law Enforcement Manager Waters presented Lt. Billie Cochrane and Officer Stuart Edwards

Advanced Law Enforcement Officer Certificates awarded by the State of North Carolina for outstanding work in the Law Enforcement field. These certificates are issued only once in a lifetime, and cannot be replaced for any reason.

- Enplaned passengers for November 2001 totaled 309,558 versus 453,099 for November 2000 for a 31.7% decrease. Year-to-date 2001 enplaned passengers totaled 4,482,525 versus 4,764,963 for year-to-date 2000 for a 5.9% decrease.
- Deplaned passengers for November 2001 totaled 302,662 versus 454,261 for November 2000 for a 33.4% decrease. Year-to-date 2001 deplaned passengers totaled 4,481,616 versus 4,806,293 for year-to-date 2000 for a 6.8% decrease.
- Enplaned air cargo for November 2001 totaled 8,907,995 pounds versus 11,095,783 pounds for November 2000 for a 19.7% decrease. Year-to-date 2001 enplaned air cargo totaled 109,470,207 pounds versus 118,897,312 pounds for year-to-date 2000 for a 7.9% decrease.
- Deplaned air cargo for November 2001 totaled 10,288,649 pounds versus 11,438,544 pounds for November 2000 for a 10.1% decrease. Year-to-date 2001 deplaned air cargo totaled 116,119,693 pounds versus 123,770,344 pounds for year-to-date 2000 for a 6.2% decrease.
- Weekday scheduled flight departures for November 2001 totaled 198 versus 301 for November 2000 for a 34.2% decrease.
- Aircraft operations for November 2001 totaled 19,097 versus 25,396 for November 2000 for a 24.8% decrease. Year-to-date 2001 aircraft operations totaled 255,912 versus 272,819 for year-to-date 2000 for a 6.2% decrease.
- The number of vehicles exiting the terminal area public parking lots during November 2001 totaled 148,007 versus 206,653 for November 2000 for a 28.4% decrease. The year-to-date 2001 number of vehicles exiting the terminal area public parking lots totaled 2,144,852 versus 2,152,849 for year-to-date 2000 for a 0.4% decrease.
- The number of taxicab trips taken during November 2001 totaled 11,551 versus 12,730 during November 2000 for a 28.4% decrease. The year-to-date 2001 number of taxicab trips taken totaled 123,855 versus 136,328 for year-to-date 2000 for a 9.2% decrease.
- Midway Airlines resumed flight operations on December 19, 2001 with a total fleet of five aircraft. Three aircraft currently are in service. Additional service to Florida may be added early next year.
- American West has advised that it has postponed commencement of operations at RDU indefinitely.
- Service by Midwest Express has been replaced by its subsidiary, Skyway Airlines. Skyway will be located in Terminal A and hosted by United Express.
- Of the top 60 airports in the U.S., RDU had the 35th largest number of origin-destination

passengers during the period January-June 2001. Approximately 11,000 origin-destination passengers traveled through RDU each day during that period.

- Staff recently met with representatives of two airlines serving RDU that have expressed an interest in establishing an aircraft maintenance facility at RDU.
- Both Alamo and National Car Rental companies have filed for Chapter 11 bankruptcy protection. The Authority is working towards resolving issues of nonpayment by these two companies.
- Subsequent to the September 11th terrorist attacks, parking fees for approximately 7,735 vehicles totaling \$182,000 were waived for up to four days while the airport was closed.
- The Paradies Shops manager Jack Mobley was named Manager of the Year by his company in one of its four regions, and also was recognized for best human resources/payroll management.
- Globe Aviation Security's local manager, Amy Hatcher, was recognized by her company as the regional and national manager of the 3rd quarter.
- New concessions construction continues in Terminal C with the opening of A Southern Season and a Press Plus newsstand. Brook Brothers is set to open on December 21st in Terminal A.
- US Airways' new club opened on December 17. The old club location will be converted to concessions and office space.
- Congress has indicated it will provide some funds to reimburse the increased security costs airports have faced as a result of the added security measures instituted by the FAA after September 11th. It is considered likely that the larger airports will receive the bulk of those funds.
- As of January 1, 2002, single prime contracting for building construction will be permitted in North Carolina as a result of recent legislative action. The new law also requires that minority business utilization by contractors be reported to the State on a project-by-project basis.
- An I-40 congestion management task force recently has recommended that the NCDOT make relatively minor improvements to the Aviation Parkway and Airport Boulevard interchanges that provide access to and egress from the Airport to help relieve traffic congestion at those points. Improving the Aviation Parkway interchange is particularly crucial to RDU, and the Authority should seriously consider making those improvements if the NCDOT is unable to do so quickly.
- Airport Director Brantley wished everyone Happy Holidays and suggested looking forward to 2002 as 2001 certainly has been a trying year.

Member Teer made a motion, seconded by Member Clancy to go into Executive Session.

Member Teer made a motion, seconded by Member Toler to return to Open Session.

ADJOURNMENT - There being no further business, Chairman Gibbs adjourned the meeting.

Respectfully submitted,

J. Ray Sparrow, Secretary

CORRECT ATTEST:

Kenneth D. Gibbs, Sr., Chairman